

AMENDED IN SENATE JULY 12, 2004

AMENDED IN SENATE JUNE 23, 2004

AMENDED IN SENATE JUNE 16, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 2657

Introduced by Assembly Member Nunez

February 20, 2004

An act to add Chapter 2 (commencing with Section 42100) to Part 3 of Division 30 of the Public Resources Code, relating to metal plating facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2657, as amended, Nunez. Metal plating facilities.

The California Integrated Waste Management Act of 1989 establishes a comprehensive program implemented by the California Integrated Waste Management Board and local agencies to reduce, recycle, and reuse solid waste in an efficient and cost effective manner.

This bill would require the California Environmental Protection Agency to establish and coordinate an Interagency Metal Plating Task Force, as specified. The bill would require the *agency, in consultation with the* task force, to take specified actions with respect to the regulation of the metal plating industry, as prescribed. *The bill would require the agency to establish a grant program for metal plating facilities, as specified, and a pilot loan and loan guarantee program, as specified.* The bill would create the Chromium Multi-media Hazardous Waste Reduction Fund in the State Treasury, and would require that the money in the fund be expended by the agency to support the task force's

activities, *make specified grants*, and ~~to make~~ *specified loans to generators for environmental control equipment and loan guarantees.*

The bill would authorize the agency to adopt regulations and emergency regulations to implement the bill's requirements.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature hereby finds and declares
2 all of the following:
- 3 (1) Metal plating facilities are establishments primarily
4 engaged in all types of electroplating, plating, anodizing, coloring,
5 and finishing of metals and formed products for the trade.
- 6 (2) Most metal platers are small, family owned businesses that
7 are located in communities of color and tend to employ minority
8 workers. This industry provides significant support to other larger
9 industries in the state, particularly manufacturing industries.
10 Facilities conducting metal plating activities include everything
11 from small, low-volume operations like jewelry repair shops to
12 high-volume production line applications. The automotive,
13 electronics, machine equipment, and defense industry are the four
14 largest industry segments served by metal platers.
- 15 (3) The Department of Toxic Substances Control has identified
16 approximately 875 metal plating facilities in the State of
17 California, 67 percent of which are located in the five county Los
18 Angeles area, the largest concentration of metal platers anywhere
19 in the United States.
- 20 (4) There are also large numbers of metal platers in the San
21 Francisco Bay area, San Diego, and the Central Valley regions of
22 the state.
- 23 (5) The data indicates that 94 percent of the Legislature, 113 of
24 the 120 members, have at least one metal plater in their district, and
25 over one-third of the state's legislative districts house at least 10
26 facilities.
- 27 (6) There is not a complete inventory of facilities in the state
28 including locations and proximity to sensitive receptors. Different
29 regulatory agencies cite different numbers and there is no central
30 database for locations or compliance history.



1 (7) The metal plating process can significantly impact the
2 environment, including, air, water, and soil, in a very intensive
3 manner. The chemical processes used in metal plating involve the
4 use of various toxic materials, and generate significant amounts of
5 solid and hazardous waste.

6 (8) Hexavalent chromium, a chemical compound intrinsic to
7 the chrome plating process, is a known human carcinogen. It is
8 also one of the most potent toxic air contaminants for which the
9 safe threshold exposure level has not yet been established. The
10 current recognized standard established by the Division of
11 Occupational Safety and Health as a permissible exposure level is
12 0.1 milligrams per cubic meter.

13 (9) The metal plating industry is regulated by various federal,
14 state, and local agencies including the United States
15 Environmental Protection Agency, the State Air Resources Board,
16 the State Water Resources Control Board, the Department of Toxic
17 Substances Control, California regional water quality control
18 boards, regional air quality management districts, and Certified
19 Unified Program Agencies (CUPAs).

20 (10) The complexity of metal plating operations requires a
21 coordinated regulatory and mitigation approach. Existing
22 enforcement efforts are inadequate largely due to budgetary
23 constraints and the lack of coordination between the various
24 regulatory agencies. At the same time, ongoing efforts of metal
25 plating facilities to comply with environmental laws and
26 regulations are challenged by the number, and in some cases the
27 complexity or duplicative nature, of these requirements.

28 (11) In October 2003, the Los Angeles City Attorney created
29 a Chrome Platers Initiative as part of its Environmental Protection
30 Strike Force, to conduct multiagency inspections of chrome
31 plating facilities and to identify violations. Through the efforts of
32 this multiagency task force, and within the last few months, the
33 city attorney has been able to increase enforcement of
34 environmental health and safety regulations at facilities in the Los
35 Angeles area.

36 (12) Throughout the state, metal plating facilities are located
37 on land that has been zoned for those facilities; however, many
38 facilities are still located in close proximity to residences and
39 “sensitive receptors.” For example, there are several cases in the
40 Los Angeles area where schools are located within close proximity

1 of metal plating facilities. In these cases, there may still be
2 associated human health problems.

3 (13) The metal plating industry's inability to access capital for
4 environmental improvements and investments has been identified
5 by the United States Environmental Protection Agency as one of
6 its biggest obstacles in meeting and exceeding current
7 environmental requirements.

8 (14) There is a need to provide training for the metal plating
9 community on new, cleaner technologies and better operating
10 practices, as well as changing regulations.

11 (b) The Legislature hereby further declares that it is in the best
12 interest of the people of California and the communities involved
13 to address the various environmental issues posed by the metal
14 plating industry while preserving its economic vitality.
15 Specifically, funds should be provided to support various
16 environmental compliance, technology procurement, pollution
17 prevention, and emission reduction measures.

18 SEC. 2. Chapter 2 (commencing with Section 42100) is added
19 to Part 3 of Division 30 of the Public Resources Code, to read:

20
21 CHAPTER 2. METAL PLATING FACILITIES

22
23 42100. For purposes of this chapter, the following definitions
24 apply:

25 (a) "Agency" means the California Environmental Protection
26 Agency.

27 (b) "Generator" means a borrower pursuant to this chapter or
28 a party that produces hazardous waste and applies for financial
29 assistance pursuant to this chapter to reduce hazardous waste as
30 generated.

31 (c) "Metal plating facility" means an establishment primarily
32 engaged in all types of electroplating, plating, anodizing, coloring,
33 and finishing of metals and formed products for the trade.

34 (d) "Pollution prevention" means the same as source reduction
35 as defined by subdivision (e) of Section 25244.14 of the Health
36 and Safety Code.

37 (e) "Sensitive receptor" means schools (kindergarten to grade
38 12, inclusive), licensed day care centers, hospitals, and
39 convalescent homes.

1 42101. (a) The agency shall establish and coordinate an
2 interagency Metal Plating Task Force. The task force shall build
3 upon the leadership efforts of the existing Los Angeles Chrome
4 Platers Initiative and Environmental Protection Strike Force.

5 (b) The task force shall include representatives from various
6 governmental agencies, including, but not limited to, the State Air
7 Resources Board, State Water Resources Control Board,
8 Department of Toxic Substances Control, California regional
9 water quality control boards, local air quality management
10 districts, local Certified Unified Program Agencies (CUPAs), Los
11 Angeles City Attorney's Office and Environmental Protection
12 Strike Force, Los Angeles City Council, and various other local
13 government representatives, as appropriate.

14 (c) In implementing this section and Section 42102, the task
15 force shall, to the maximum extent possible, work in a
16 collaborative manner with metal plating facilities ~~and~~
17 ~~associations, and other interested parties, including environmental~~
18 ~~and community groups.~~ *other associations, including*
19 *environmental and community groups, and other interested*
20 *parties.*

21 42102. The agency, *in consultation with the* Metal Plating
22 Task Force, shall do all of the following:

23 (a) ~~Complete an inventory~~ *Conduct a survey* of metal plating
24 facilities, to include information on the location of a facility, years
25 in operation, and compliance history with environmental laws and
26 regulations governing those facilities.

27 (b) Facilitate efforts of state and local agencies to increase
28 inspection and enforcement of metal plating facilities and to
29 improve coordination among regulatory agencies.

30 (c) (1) Establish a pilot loan *and loan guarantee* program for
31 facilities subject to the new South Coast Air Quality Management
32 District Rule 1469, which regulates hexavalent chromium
33 emissions, to purchase high performance environmental control
34 technologies.

35 (2) In establishing the pilot loan *and loan guarantee* program
36 pursuant to paragraph (1), ~~leverage~~ *utilize* existing funding
37 mechanisms, including the Treasurer's California Air Pollution
38 Control Financing Authority, the Business, Transportation and
39 Housing Agency's financial development corporations' loan

1 guarantee programs, and the South Coast Air Quality Management
2 District's small business assistance loan program.

3 ~~(d) Establish a grant program for the development of new~~
4 ~~environmental control and pollution prevention technologies.~~

5 ~~(e) Develop~~

6 *42103. The agency shall utilize information gained from the*
7 *pilot loan and loan guarantee program established pursuant to*
8 *Section 42102, in conjunction with recommendations from the*
9 *Metal Plating Task Force, to do all of the following:*

10 *(a) Develop and disseminate a protocol for onsite audits of*
11 *facility compliance and pollution prevention activities.*

12 ~~(f) Work with industry associations to develop training~~

13 *(b) Develop training programs.*

14 ~~(g) Coordinate with interested parties, including~~
15 ~~environmental and community groups.~~

16 ~~(h) Recommend~~

17 *(c) Develop regulations for prescribing the siting of new*
18 *chrome plating facilities within the vicinity of sensitive receptors,*
19 *including developing appropriate buffer zone regulations for*
20 *adoption by local government entities, to restrict the future siting*
21 *of new chrome plating facilities within the vicinity of residences*
22 *or sensitive receptors.*

23 ~~(i) Recommend options~~

24 *(d) Develop recommendations for a long-term approach to*
25 *address the various environmental issues posed by the metal*
26 *plating industry, while preserving its economic vitality, including,*
27 *but not limited to, opportunities for relocation of facilities, closure*
28 *mitigation strategies, assessment of various fees, and mechanisms*
29 *for financial assurance.*

30 ~~(j)–~~

31 *(e) Report to the Legislature, not later than January 1, 2006, on*
32 *its progress.*

33 ~~42103.—~~

34 *42104. The agency shall utilize information and experience*
35 *gained from the activities conducted pursuant to Section 42103 to*
36 *establish a grant program for metal plating facilities, to foster*
37 *alternatives to the use of hazardous materials, pollution*
38 *prevention practices, and the installation of environmental*
39 *controls.*

1 42105. (a) There is hereby created in the State Treasury the
2 Chromium Multi-media Hazardous Waste Reduction Fund, for the
3 sole purpose of receiving deposits of state, federal, or local
4 government money, and other public or private money for
5 expenditure by the agency for the purposes of this chapter.

6 (b) The money in the Chromium Multi-media Hazardous
7 Waste Reduction Fund shall be expended by the agency ~~to support~~
8 ~~task force activities and to make loans to generators for~~
9 ~~environmental control equipment.~~

10 ~~42104. —for the following purposes:~~

11 (1) ~~To support task force activities.~~

12 (2) ~~To make grants pursuant to Section 42104.~~

13 (3) (A) ~~to make loans and loan guarantees pursuant to~~
14 ~~subdivision (c) of Section 42102.~~

15 (B) ~~The agency shall make _____ dollars (\$_____) from the fund~~
16 ~~available for low interest loans and loan guarantees made~~
17 ~~pursuant to subdivision (c) of Section 42102.~~

18 (C) ~~An individual loan from the fund shall not exceed 1.5~~
19 ~~percent of the available money in the fund.~~

20 42106. ~~The agency shall prepare and adopt criteria and~~
21 ~~procedures for evaluating applications for low interest loans and~~
22 ~~loan guarantees awarded pursuant to subdivision (c) of Section~~
23 ~~42102.~~

24 42107. (a) The agency shall, before a loan commitment is
25 issued, approve the project to be funded.

26 (b) The agency shall publicize and promote the availability of
27 loan assistance pursuant to this section.

28 42108. ~~The agency may adopt regulations to implement this~~
29 ~~chapter. The agency may adopt emergency regulations to~~
30 ~~implement this chapter, in accordance with Chapter 3.5~~
31 ~~(commencing with Section 11340) of Part 1 of Division 3 of Title~~
32 ~~2 of the Government Code, and for the purposes of that chapter,~~
33 ~~including Section 11346.1 of the Government Code, the adoption~~
34 ~~of these regulations is an emergency and shall be considered by the~~
35 ~~Office of Administrative Law as necessary for the immediate~~
36 ~~preservation of the public peace, health, and safety, and general~~
37 ~~welfare. Notwithstanding Chapter 3.5 (commencing with Section~~
38 ~~11340) of Part 1 of Division 3 of Title 2 of the Government Code,~~
39 ~~an emergency regulation adopted by the agency pursuant to this~~
40 ~~section shall be filed with, but not repealed by, the Office of~~

1 *Administrative Law, and shall remain in effect until revised by the*
2 *agency.*

3 *42109. The Legislature finds and declares that the Regents of*
4 *the University of California should provide appropriate assistance*
5 *to the agency and the Metal Plating Task Force, including, but not*
6 *limited to, faculty and researchers associated with the Center for*
7 *Occupational and Environmental Health.*

